Brotherhood of Maintenance of Way Employes Division
of the International Brotherhood of Teamsters

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Labor's next big battle?

July 15, 2012 12:00 am

When the next opportunity for labor law reform arrives, union membership will be smaller and our political clout even more diminished. If we are to succeed, future reform proposals must be wrapped in a broader mantle that will appeal to all workers.

The four-year drive for the Employee Free Choice Act was the single largest union-backed campaign in decades and it succeeded in uniting the labor movement as never before. I doubt there was a steward in the country who wasn't familiar with EFCA and why we needed it.

The proposed law, which so many members fought for between 2006 and 2010, would have made it faster and easier for workers to gain union recognition through card check, created stiffer penalties for employers who violate labor laws and helped workers win difficult first contracts through binding arbitration.

Many union leaders believed EFCA to be labor's last opportunity to address the obstacles to recruiting new members and a rebirth of the labor movement.

While campaigning for EFCA was easy among union members, once we ventured beyond our ranks it was a much harder sell.

With faith in democracy deeply ingrained in the national psyche, it was almost impossible to convince the general public that card check was as democratic as a secret-ballot election. Every time the opposition yelled, "Union bosses want to take away your right to vote," we were put on the defensive and our allies floundered.

So while EFCA appealed to union members and a small population of workers who imagined they might one day like to join a union, it appeared to the public as a narrow "special-interest" labor bill.

The demise of EFCA closely resembled the fate of other reform bills backed by the labor movement: one against permanent striker replacement (1993); a plan for speedier elections, greater union access during organizing drives and relief for illegally fired workers (1978); and repeal of Taft-Hartley (1966), where we could not stop a filibuster in the Senate.

Past reforms led by the labor movement have won minimum wages, health and safety regulations, child labor laws and prohibitions against discrimination. And whenever the labor movement was on the offensive fighting for all workers, union membership grew.

What's left to achieve that might inspire all workers -- union and non-union alike?

"Employment security" could be the remaining frontier. A campaign to pass state laws requiring "just cause" before a worker is fired could also spur union growth, since one of the top reasons workers are afraid of organizing is the knowledge they are likely to be terminated.

Our existing laws have not diminished workers' fears because the procedures are too uncertain and lengthy (two to three years at the Labor Board and another two years in the courts) to provide any assurance.

Winning state "just cause" laws that allow cases to be decided quickly by arbitrators might give workers more confidence.

As described in Clyde Summers's important 1976 Virginia Law Review article on the topic, the United States is alone among industrialized countries in allowing at-will employees to be terminated for arbitrary reasons. Because of union protests and aggressive legal action, Germany, France, Japan, Sweden, the United Kingdom and South Africa require employers to have a just cause to dismiss non-probationary employees.

One state has also passed such a law. The Montana Wrongful Discharge from Employment Act was passed in 1987. Applicable to non-union non-probationary employees, it prohibits discharges without good cause, allows workers to sue for up to four years of back pay and provides a way for workers to recover attorneys' fees.

Despite fear-mongering by opponents, the Big Sky state's robust economic growth has not been affected. Statutes in Puerto Rico and the Virgin Islands also prohibit termination without "good cause."

Winning "just cause" legislation will certainly not be easy. But building a movement on a similar scale to the effort put behind EFCA would offer union activists an opportunity to champion an issue that would benefit all workers and also help union growth.

A "just cause" campaign could potentially engage working people at many levels. Short of state or federal legislation, local unions, central labor councils and worker centers could seek to enforce a just cause standard through workers' rights boards and community pressure.

Communities could declare certain areas "Just Cause Zones" and fight to enforce just cause as a community standard -- like living wage laws, but potentially much wider. Political activists could use the proposed legislation as a litmus test for candidates. We could hold hearings on the need for just cause and lobby state legislatures.

If just cause campaigns succeed, workers will have more security to participate in organizing drives. Montana's unionization rate reflects its mix of industries and history of militant struggles, but it's hard not to notice that the state, at 14.6 percent, has a healthier percentage of union members than the national average. Neighboring Idaho has less than half the rate of unionized workers.

Even if campaigns for just cause do not succeed, they would be an opportunity to educate millions of not-yet-union workers about the concept (especially if the campaign used ballot referendums) and the increased job security it could bring to their lives.

By popularizing the just cause concept and raising expectations, more workers may respond by thinking, "If we can't get this protection through the legislature, let's get it by forming a union!"

Rand Wilson is organizing director for Service Employees Local 888 in Boston. He wrote this for LABORnotes, a media and organizing project for union activists since 1979.

USW president: November election most important in 80 years

Leo Gerard, president of the United Steelworkers, gets a rousing ovation during the sixth annual Bernie Kleiman lecture, at the Homestead Pump House on Saturday July 14, 2012. Kleinman served as General Counsel of the USW from 1965 to 199. Sidney Davis | Tribune-Review

By Alex Nixon

The president of the United Steelworkers called November's presidential election the most important in 80 years to the future of labor unions in America.

Leo Gerard, speaking in Homestead on Saturday, said ballooning corporate money in politics threatens to overwhelm the voice of organized labor and only a strong showing at the polls from union members will force lawmakers to address the campaign financing issue.

"In 10 years, without a change in campaign finance ... we will lose the right to bargain collectively," he said.

Advertising research firm Borrell Associates has estimated that spending in the 2012 presidential race, including by the candidates, party committees and outside groups, could hit $9.8 billion, 40 percent higher than the 2008 race.

And without strong unions, Gerard argued, the gap between the rich and everyone else will only widen.

To combat those trends, union members need to come out in force to support President Obama, he said. And, more importantly, if Obama is elected, they need to demand that he take up policies important to labor unions.

"We dropped the ball last time," Gerard said, referring to Obama's first term in the White House. "When he wins, we have to make sure the people around him move forward on our issues."

Gerard spoke to about 70 people gathered at a former pump house for the Homestead Steel Works, the site of a failed labor strike in 1892. The speech was sponsored by the Battle of Homestead Foundation, which commemorates the historic event.

America and unions experienced rising prosperity in the years from the end of World War II until the early 1980s, Gerard said. But since then, union membership has declined and more of the wealth generated from American industry has flowed to the top of the economic ladder.

"At this point in our economic history, at this point in the evolution of America, and at this point in global economic history, the gap between the rich and the rest of us is the greatest it's ever been," he said.

Union membership in the United States has dropped from 20.1 percent of workers in 1983 to 11.8 percent in 2011, according to the Bureau of Labor Statistics.

Meanwhile, income growth has been faster among top earners, according to the Census Bureau. The top 5 percent saw their inflation-adjusted median income grow by 45 percent between 1985 and 2010 to $287,000. During the same period, people in the bottom two-fifths of earners saw median income rise just 3 percent to $19,835.

“I can’t guarantee that we’ll win every fight,” Gerard said. “But I’ll guarantee that if we don’t fight, we’ll lose.”

7/16/2012 11:00:00 AM

Sen. Durbin asks STB to address Amtrak's performance delays related to freight rail

Sen. Dick Durbin (D-Ill.) has asked the Surface Transportation Board (STB) to increase efforts to improve Amtrak’s on-time performance after a recent report showed that the main cause of the passenger railroad’s train delays stems from freight-rail operations.

Last week, the U.S. Department of Transportation’s Office of the Inspector General released the report, which found several causes of Amtrak delays related to freight-rail operations, including speed restrictions due to poor track conditions, construction, congesting and track sharing, officials in Durbin’s office said in a prepared statement.

Other factors include capacity utilization and activities at Amtrak crew change locations that contributed “significantly” to delays throughout the system, but “considerably less” than the impact of freight-rail operations, they said.

“In 2011, Amtrak carried a record 30 million passengers, and passenger numbers in 2012 are expected to increase. However, consistent train delays caused by freight railroads cost Amtrak millions of dollars a year and threaten to turn passengers away from Amtrak,” Durbin wrote in a letter to STB Chairman Daniel Elliott.

Durbin asked STB members to use their authority under the Passenger Rail Investment and Improvement Act of 2008 to “investigate and enforce” the on-time performance standards where a railroad fails to meet the 80 percent threshold.

Meanwhile, Amtrak, federal, state and local officials last week marked the opening of a multi-modal transportation station in Normal, Ill., serving Amtrak and bus riders. Durbin, U.S. Transportation Secretary Ray LaHood, Amtrak Chairman Tom Carper and others attended a ceremony to dedicate the Uptown Station.

The $45.9 million station received a $22 million federal stimulus grant as well as $10.6 million in other federal funding, and more than $13 million in state and local contributions, according to a prepared statement.

July 16, 2012

Two Transportation Visions on Collision Course

At least one governor appreciates what transportation investments can do for his state.

Governor Jerry Brown of California stood side by side with Transportation Secretary Ray LaHood at the Port of Oakland earlier this week, building on the new momentum behind the state's ambitious high-speed rail plans. Fresh off the actions of state legislators who withstood a tidal wave of right-wing opposition by approving funding for high-speed rail, the Governor will now preside over the most ambitious transportation modernization initiative in America.

Despite the rhetoric and unrelenting opposition from opponents of this plan (they've tried to turn high-speed rail into a four-letter word), these investments will make California the envy of the nation as travel convenience soars, trip times plummet, half a million people will work, and a new generation of tourists will converge on the Golden State.

When Governor Brown signed the appropriations bill into law, he bucked a recent unusual trend of governors (all Republicans if you're wondering) eschewing job-creating transportation projects to score points with their party base. Governors Scott Walker of Wisconsin, Rick Scott of Florida, John Kasich of Ohio, and Chris Christie of New Jersey have all wasted opportunities for massive investments in their transportation systems. These governors have been auditioning in front of extremists who forget that both Democrats and Republicans rallied behind historic infrastructure investments in the last century that came to define America as the world's greatest economy. Clearly, we have two transportation visions on a collision course.

Christie did the unthinkable: he killed 51,000 jobs by ending a project to build a train tunnel under the Hudson River that everyone but the Governor knows is critical to the economic future of New Jersey and the entire Northeast corridor. Christie and his fellow GOP governors have dealt a severe blow to their states' transportation systems and along the way killed 129,000 jobs.

Apparently their knowledge of American history pales in comparison to Governor Brown's, whose state will reap the benefits of a modernized rail transportation system: 600,000 jobs to build the system and 450,000 permanent jobs; reduced congestion and air pollution, and 13 million fewer barrels of foreign oil consumed annually.

Landmark U.S. infrastructure achievements were built on visions ahead of their time, dating back to President Lincoln's funding of the intercontinental railroad in the midst of the civil war. These things don't just happen – they require political leaders in both parties who think about what their generation is going to leave for the next one. Right now this generation is leaving behind a crumbling transportation system.

Voters, beware of governors who build political careers at the expense of their state's economy. Fortunately, California Governor Jerry Brown has chosen a different path. When given the chance, let's hope voters choose safe and modern transportation systems – and smart investments that create good jobs – over political career-building in governors' mansions.

Monday, July 16, 2012

Federal Railroad Administration and OSHA Sign Agreement to Protect Railroad Workers from Retaliation

WASHINGTON – The U.S. Department of Transportation's Federal Railroad Administration (FRA) and the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) today announced the signing of an agreement to improve coordination between the two agencies in enforcing the whistleblower provision of the Federal Railroad Safety Act (FRSA). The FRSA protects employees from retaliation when they report safety violations to the government or report work-related personal injuries or illnesses.

"Safety is our highest priority and this agreement is an important step in providing protections for those who report unsafe conditions," said FRA Administrator Joseph Szabo. "Establishing a formal process for safeguarding the rights of employees who report safety violations is critical to maintaining workplace safety and fostering strong safety cultures."

Under the agreement, FRA will refer railroad employees who complain of alleged discrimination to OSHA, and OSHA will share copies of the complaints it receives with FRA. OSHA will also share any findings and preliminary orders that OSHA issues. The agencies will work together to develop training for FRA on how to handle complaints of retaliation, and to assist OSHA enforcement staff in recognizing potential violations of railroad safety regulations revealed during whistleblower complaint investigations.

FRA and OSHA sent a joint letter to railroad and transportation associations expressing their commitment to work together to ensure that injury reporting is as accurate and consistent as possible. The letter highlights an increase in railroad injury/incident reporting in recent years and provides concrete ways that the associations' member organizations can improve the safety of their workplaces and improve their compliance with federal regulations.

Between 2007 and 2012, OSHA received more than 900 whistleblower complaints under the FRSA. Almost 63 percent involved an allegation that a worker was retaliated against for reporting an on-the-job injury.

"The safety of railroad employees depends in part on workers' ability to report injuries, incidents, and hazards without fear of retaliation," said Assistant Secretary of Labor for OSHA Dr. David Michaels. "OSHA welcomes the opportunity to work more closely with FRA to protect these rights and make our nation's railroads an even safer place to work."

Rail safety regulations are developed and enforced by FRA in cooperation with rail stakeholders, including rail labor organizations. Through inspection, enforcement and education, FRA plays a key role in ensuring rail safety. While FRA has broad authority over rail safety, OSHA has responsibility for taking corrective actions for violations of the whistleblower provisions of the FRSA.

OSHA enforces the whistleblower provision of the FRSA as well as whistleblower provisions of 20 other statutes protecting employees who report violations of various securities, trucking, airline, nuclear, pipeline, environmental, public transportation, workplace safety and health, consumer product safety, health care reform and financial reform laws. Under these laws, employers are prohibited from retaliating against employees who raise various protected concerns or provide protected information to the employer or to the government. Employees who believe that they have been retaliated against for engaging in protected conduct may file a complaint with the Secretary of Labor requesting an investigation by OSHA's Office of Whistleblower Protection Program.

Detailed information on employee whistleblower rights, including fact sheets with information on how to file a complaint with OSHA, is available online at www.whistleblowers.gov.
Under the Occupational Safety and Health Act of 1970, employers are responsible for providing safe and healthful workplaces for their employees. OSHA's role is to ensure these conditions for America's working men and women by setting and enforcing standards, and providing training, education and assistance. For more information, visit http://www.osha.gov.

GOP Seeks to Kill Black Lung Reform

By Chris Hamby

July 18, 2012

House Republicans inserted language in a budget bill unveiled Tuesday that would kill a proposed rule to protect coal miners from dust that causes black lung.

Democrats on the House Committee on Appropriations objected, saying in a statement, "Recent reporting by NPR and the Center for Public Integrity has highlighted the need for more effective 'black lung' disease prevention efforts as there has been a resurgence of the disease among coal miners."

The Center-NPR investigation found that, after decades of decline, black lung is making a comeback, increasingly afflicting younger miners with a more severe, faster-progressing form of the disease. The system for monitoring miners' exposure to dust is riddled with loopholes, and regulators have sometimes failed to enforce even these rules. Mining companies have taken advantage of a self-policing system to manipulate dust sampling results for decades.

In 2010, the federal Mine Safety and Health Administration proposed a rule that would close some loopholes, though it would still leave much of the sampling in the hands of mining companies. Last December, House Republicans inserted language in a previous budget bill that would have barred any money from being spent to implement the rule until the Government Accountability Office evaluated whether the proposal was necessary. That study is on track to be released in August.

The insertion of a paragraph into the new Labor Department's budget bill goes further, barring the agency from using any money to continue developing the rule, issuing it or enforcing it.

Both Denny Rehberg, the Montana Republican who wrote the bill, and Hal Rogers, chairman of the appropriations committee, are up for re-election this year, and both count the coal mining industry among their top donors. Rogers, a Kentucky Republican, has long been a champion of the industry, and mining companies have donated more to his campaigns over the years – about $378,000 – than any other industry. Neither Rehberg nor Rogers responded immediately to requests for comment Tuesday.

The National Mining Association said in a statement that it “sympathizes with the chairman’s frustration at MSHA’s apparent unwillingness to consider seriously the constructive proposals we have made to address this problem directly and improve miners’ health.” The association, which represents primarily large mining companies, believes the increase in black lung is a regional problem concentrated in central Appalachia and not one that requires imposing new rules across the country. It has suggested a number of changes to the proposed rule.

Rep. George Miller of California, the senior Democrat on the House Committee on Education and the Workforce, said in a statement: “Republicans are sending a message that profits for their wealthy campaign contributors are more important than the lungs and lives of America’s coal miners. The recent investigative report by several news organizations on the devastating impact of black lung and the lengths that some mine operations go to circumvent their responsibility to protect miners should have been a wakeup call. It’s clear that voices wealthier than coal miner families drowned out that message."

San Jose Mercury News
July 18, 2012

Gov. Brown signs California high-speed rail bill

By Mike Rosenberg

SAN FRANCISCO -- With his most public cheerleading yet for California's bullet train, Gov. Jerry Brown on Wednesday signed the $8 billion bill to kick off high-speed rail construction as he lobbied to win back voters who are increasingly skeptical of the rail line.

Brown's day-long, dual-city signature event began during a morning press conference at Union Station in Los Angeles and is set to be followed by another gala with supporters at the future Transbay Terminal in San Francisco. The locations were fitting in many ways since the stations will serve as the two endpoints of the $69 billion line, though Brown had to fly between events.

The centerpiece of SB 1029, however, is $6 billion to start building the first tracks in the Central Valley early next year. The remaining $2 billion will beef up transit while laying the groundwork for high-speed rail in the Bay Area and Southern California, including electrification of the existing Caltrain line between San Francisco and San Jose.

"This legislation will help put thousands of people in California back to work. By improving regional transportation systems, we are investing in the future of our state and making California a better place to live and work," said Brown, whose signature was only a formality since he led the charge for the bullet train in Sacramento.

High-speed rail has become increasingly unpopular around the state, and polls show a majority of voters now oppose the plan largely because of its record costs and uncertain prospects for completion. Brown, who was silent publicly when the Legislature debated his bullet train plan two weeks ago, now needs Californians back on board.

The governor is campaigning for voters to approve Proposition 30, hikes on sales taxes and on the wealthy, this November to raise $8.5 billion and avoid drastic cuts to education and other state services. A recent Field Poll showed some 20 percent of likely "yes" voters on the taxes were less likely to support the measure if high-speed rail got approved.

"That doesn't mean they're going to all vote 'no', it's just a negative drag on their early intentions to vote 'yes,'" Field Poll Director Mark DiCamillo said Wednesday. "It puts those voters in a more vulnerable position -- it puts them in play."

The positive messaging has already begun, and the plan appears to be to play-down the bullet train system itself. In a press release about his signature, Brown's office titled the message "Governor Brown Signs Legislation to Improve California's Transportation System." It begins by saying the bill will "create thousands of new jobs in California by modernizing regional transportation systems" before mentioning high-speed rail.

The press release goes on in detail to mention local projects that will benefit from the funds, and how many jobs will be created, without ever detailing the particulars of the high-speed rail project.

Bay Area Democrats, unions and business leaders applauded Brown for improving a wobbling high-speed rail plan in the last year, helping to reduce the most recent cost estimates by $30 billion, speeding up construction and giving funds to the urban areas.

"Governor Brown got this project back on track, changed the course of California history and our region is a big beneficiary," said Jim Wunderman, CEO of the pro-business Bay Area Council.

The Assembly overwhelmingly endorsed the plan along party lines on July 5, while it passed by a single vote in the Senate on July 6.

Jul 18th 2012 By: Chris Sims

Rush Limbaugh Thinks 'The Dark Knight Rises' Is An Anti-Romney Conspiracy -- Really

With the release of ***The Dark Knight Rises*** coming up on Friday, anticipation for Christopher Nolan's final Batman film has reached a fever pitch. Still, I don't think anyone expected the media hype to get to the level of ridiculousness it managed to achieve this week, when political commentator **Rush Limbaugh claimed that the character of Bane was included in the film as part of a vast media conspiracy against Republican presidential candidate Mitt Romney's association with investment firm Bain Capital.**

The jury's still out on whether Limbaugh actually believes this or if he's participating in some incredible trolling, but either way it comes as news to Chuck Dixon and Graham Nolan, who apparently orchestrated a Democratic conspiracy almost 20 years ahead of the election when they co-created Bane with Doug Moench in 1993 -- especially since they're two of comics' most prominent conservatives.

Limbaugh, a prominent right-wing radio show host/complete lunatic who once claimed that Michael J. Fox was exaggerating his Parkinson's Disease symptoms for political ends, unleashes his latest conspiracy theory as Romney's tenure as co-founder of investment firm Bain Capital comes under intense media scrutiny, a consequence of the fact that Romney is campaigning for President of the United States. Rather than making the logical connection that

Romney, T. Coleman Andrews III, and Eric Kriss exercised very poor judgment in naming their company after a homonym of a word that means "a cause of great distress or annoyance," Limbaugh alleges that Bane's appearance in Christopher Nolan's film is *deliberately designed* to cause extremely stupid voters to think that Romney spent 15 years working alongside an actual imaginary super-villain to fight Batman:

RUSH LIMBAUGH: Have you heard, this new movie, the Batman movie -- what is it, the Dark Knight Lights Up or something? Whatever the name of it is. That's right, Dark Knight Rises, Lights Up, same thing. Do you know the name of the villain in this movie? Bane. The villain in the Dark Knight Rises is named Bane. B-A-N-E. What is the name of the venture capital firm that Romney ran, and around which there's now this make-believe controversy? Bain. The movie has been in the works for a long time, the release date's been known, summer 2012 for a long time. Do you think that it is accidental, that the name of the really vicious, fire-breathing, four-eyed, whatever-it-is villain in this movie is named Bane?

[...]

LIMBAUGH: Anyway, so this evil villain in the new Batman movie is named Bane. And there's now discussion out there as to whether or not this was purposeful, and whether or not it will influence voters. It's going to have a lot of people. This movie, the audience is going to be huge, lot of people are going to see the movie. And it's a lot of brain-dead people, entertainment, the pop culture crowd. And they're going to hear "Bane" in the movie, and they are going to associate Bain. And the thought is that when they start paying attention to the campaign later in the year, and Obama and the Democrats keep talking about Bain, not Bain Capital, but Bain, Romney and Bain, that these people will think back to the Batman movie --"Oh yeah, I know who that is." There are some people who think it will work. There are some people think it will work. Others think -- "You're really underestimating the American people who think that will work." [*MediaMatters*]

Also hilarious: The fact that Limbaugh apparently thinks that "rises" and "lights up" mean the same thing.

The entire sequence of events as laid out by Limbaugh is, to put it charitably, unlikely, and for one simple reason: Bane was not created for *The Dark Knight Rises*. After his initial appearance in 1993's *Vengeance of Bane* one-shot (collected in *Batman Versus Bane*), Bane became one of the more prominent Batman villains in 1994's *Knightfall*, a story that was largely free of political commentary outside of "maybe we shouldn't put babies in prison for the crimes of their fathers."

However, even if the creation of Bane *was* motivated by a comparison to Bain Capital (which had been founded ten years erlier) so that the character could influence voters two decades into the future, Dixon and Nolan aren't exactly prime suspects for such a scheme.

7/19/2012 9:30:00 AM

Union Pacific posts 'best-ever' quarterly results

Today, Union Pacific Railroad announced it registered second-quarter net income of $1 billion — a 27 percent surge compared with second-quarter 2011, helping the Class I achieve what it says are its best-ever quarterly results.

Quarterly operating revenue rose 7 percent year over year to $5.2 billion, and UP posted an all-time quarterly best operating ratio of 67, 4.3 points lower than second-quarter 2011 and 1.2 points better than the previous record set in third-quarter 2010. UP officials attributed the record performance to pricing gains, an improved fuel surcharge recovery and more efficient operations, as well as lower fuel prices.

Volume growth in four of UP's six business groups — automotive, chemicals, industrial products and intermodal — was offset by declines in shipments of coal and agricultural products. In addition, five of UP's business lines registered revenue growth. Automotive revenue rose 25 percent; industrial products revenue, 14 percent; chemicals revenue, 13 percent; intermodal revenue, 10 percent; and agricultural revenue, 1 percent. Coal revenue dipped 9 percent.

"Looking ahead to the second half of the year, the global economic outlook has become more uncertain and coal volumes remain a challenge," said UP President and Chief Executive Officer Jack Koraleski in a prepared statement. "However, we'll continue to take advantage of the opportunities provided by our diverse franchise to drive record financial results and increase shareholder returns once again this year."

FRA 22-12
Thursday, July 19, 2012

U.S. Department of Transportation Celebrates Opening of First American Nippon Sharyo Passenger Railcar Factory

ROCHELLE, Ill. – Nippon Sharyo today opened its first American railcar manufacturing plant. According to the company, the new factory will employ 250 workers by the end of next year and create additional jobs throughout the company's American supply-chain. Nippon Sharyo has already identified more than 200 potential suppliers and vendors in the Midwest region alone. Deputy Federal Railroad Administrator Karen Hedlund attended the opening.

In opening the Northern Illinois plant, Nippon Sharyo is fulfilling a commitment made to U.S. Transportation Secretary Ray LaHood in 2009 to establish U.S. manufacturing operations in order to meet eligibility requirements of the U.S. Department of Transportation's "Buy America" program. "Buy America" requires that projects receiving federal investment use domestically manufactured supplies, ensuring that American workers and factories receive the maximum economic benefit from federal investments.

"The Obama Administration's investment in passenger rail is not only providing Americans with more travel options, it is also creating good jobs in domestic manufacturing," said Secretary LaHood. "As part of President Obama's plan to rebuild America, this new factory will put Americans to work, spur economic development and allow people and goods to move more quickly and efficiently than ever before."

Under the Obama Administration, the Federal Railroad Administration (FRA) has invested more than $12 billion in passenger rail construction projects across the nation, providing a significant incentive for rail suppliers to expand domestic manufacturing operations and hire new workers.

Nippon Sharyo invested $50 million in the Rochelle facility. During the plant's construction, employment ranged from 50 to 120 building and trades workers at a time. The facility has the capability to produce 120 new passenger cars annually, and its first orders include commuter rail cars for service in Illinois, California, Virginia, and Ontario.

"Today is a great day for workers in Rochelle and so many other American communities where the parts and supplies will be produced for these railcars," said Deputy Administrator Karen Hedlund. "Investments in rail mean more jobs today and a stronger economy tomorrow."

Workers in other states are already seeing new opportunities from Nippon Sharyo's plant. Super Steel, a Milwaukee, Wis., company contracted to supply steel components for trains, held a job fair last Saturday for welders and other craftsmen who will work on Nippon Sharyo orders.

With nearly 2,700 facilities across the United States, the railway supply industry is a significant part of the U.S. economy, employing an estimated 94,000 people in 49 states and the District of Columbia.

President Obama's budget proposal calls for a $53 billion investment into the nation's passenger rail network over the next six years to help create new manufacturing jobs and expand the capacity of the nation's transportation network to meet the demands of our growing population.

Obama Administration Aids Economy With Accelerated Port Investments

WASHINGTON, DC—*Edward Wytkind, president of the Transportation Trades Department, AFL-CIO, (TTD) issued this statement following President Obama's acceleration of several important infrastructure projects, including five major U.S. ports:*

"President Obama's decision to expedite infrastructure projects at five major seaports is good news for Americans still looking for work and for a transportation network sorely in need of repair and modernization. President Obama understands the critical role that ports and maritime commerce play in our economy and the importance of efficient public support for this sector of our transportation system.

"Over 13 million Americans work in port-related jobs and port activity accounts for more than 3.15 trillion of our GDP. This economic activity is threatened if maritime vessels can't move through our navigational channels or if intermodal connections to rail yards and roadways are not improved, as called for in today's announcement.

"I can't help but note that today's decision to invest in transportation improvements that will directly support private businesses runs counter to the position staked out by Mr. Romney who seems to believe that businesses just move goods and people by themselves. One has to wonder if the Republican candidate for President will oppose this common-sense investment just to appeal to the anti-government zealots he courts."

7/20/2012 9:30:00 AM

AAR: U.S. Canadian and Mexican railroads posted traffic gains last week

U.S. railroads reported traffic gains during the week ending July 14, originating 286,156 carloads and 245,915 intermodal loads, up 1.7 percent and 6.8 percent, respectively, compared with the same week last year, according to [Association of American Railroads] data.

Ten of 20 commodity groups registered increases, with motor vehicles and equipment traffic surging 46.6 percent; petroleum products, 39.2 percent; and lumber and wood products, 13.3 percent. Commodities posting decreases included iron and scrap steel, down 25 percent; metallic ores, 14 percent; and farm products excluding grain, 13.5 percent.

For 2012's first 28 weeks, U.S. railroads reported cumulative volume of 7,854,130 carloads, down 2.6 percent from the same point last year, and 6,499,007 trailers and containers, up 3.5 percent from last year.
â€¨Canadian railroads posted traffic increases, as well, originating 77,039 carloads, up 3.2 percent, and 54,350 trailers and containers, up 5.8 percent. For the year's first 28 weeks, Canadian railroads reported cumulative carloads of 2,145,397, up 3.4 percent, and intermodal loads of 1,411,619, up 7.1 percent.

Meanwhile, Mexican railroads reported 15,281 carloads for the week, up 9.7 percent compared with the same week last year, and 10,768 trailers and containers, up 15.5 percent. Cumulative volume totaled 393,695 carloads, down 1.4 percent, and 260,209 intermodal loads, up 18.3 percent.

Through 2012's first 28 weeks, 13 reporting U.S., Canadian and Mexican railroads originated 10,393,222 carloads, down 1.4 percent, and 8,170,835 trailers and containers, up 4.5 percent compared with the same 2011 period.

7/20/2012 11:30:00 AM

STB: Class I jobs rose in June

The U.S. Class I workforce grew slightly in June compared with the previous month, according to [Surface Transportation Board] data. As of mid-month, the railroads employed 163,159 workers, a 0.38 percent increase compared with May 2012 and 2.40 percent jump compared with June 2011.

However, on a month-over-month basis, only two workforce segments posted gains: executives, officials and staff assistants, 0.77 percent to 9,661; and professional and administrative, 1.67 percent compared with May. Workforce declines were registered among maintenance of way and structures employees, down 0.11 percent to 37,259; maintenance of equipment and stores, down 0.52 percent to 29,751; transportation (other than train and engine), down 0.16 percent to 6,842; and transportation (train and engine), down 0.79 percent to 65,606.

On a year-over-year basis, all categories registered increases: executives, officials and staff assistants, 3.54 percent; professional and administrative, 1.56 percent; maintenance of way and structures, 2.70 percent; maintenance of equipment and stores, 2.15 percent; transportation (other than train and engine), 2.59 percent; and transportation (train and engine), 2.33 percent.

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OSHA finds Illinois Central, Fort Wayne & Eastern railroads in violation of railroad safety act rules

The U.S. Department of Labor has ordered two railroads to pay three workers a total of $650,729 in back wages and damages for retaliating against the employees after they reported workplace injuries and safety concerns.

The Chicago office of the department's Occupational Safety and Health Administration (OSHA) conducted investigations into the incidents and is enforcing the violations under the whistleblower provisions included in the Federal Railroad Safety Act.

OSHA found that the Illinois Central Railroad wrongfully terminated two employees for reporting separate workplace injuries at the Markham Railroad Yard in Markham, Ill. In one case, a conductor reported an injury and was later terminated for violating safety rules. In another case, an injured carman was fired for allegedly violating the railroad's injury reporting procedures. OSHA concluded that both employees were terminated in reprisal for reporting the work-related injuries.

Meanwhile, OSHA determined that a Fort Wayne & Eastern Railroad conductor was terminated for raising concerns about workplace safety and reporting that a trainmaster had instructed him to operate a train in violation of Federal Railroad Administration rules.

Auto bailout is driving the U.S. recovery

The bankruptcy restructuring General Motors and Chrysler in 2009 through the creation of new companies formed with assets purchased from those troubled companies was highly successful. Today GM and Chrysler are profitable, investing in America and creating jobs.
President Obama's decision to act to save GM and Chrysler prevented an economic catastrophe that would have thrown the nation into a full-blown depression and resulted in dozens of additional bankruptcies in the auto industry and across industrial America. Instead, the auto industry today accounts for an outsizedshare of economic growth and is helping lead our nation's economic recovery.
Yet, for political critics of the Obama administration, this achievement, completing a process started by President Bush, is barely worth mentioning.

The problem for these critics is that the public, especially in states with a large auto industry presence, knows better. People who lived through the ups and downs of the auto industry remember well what happened and how it turned out.

So when Republican presidential candidate Mitt Romney insists that GM and Chrysler should have been restructured in a deal financed by private lenders, the public remembers that no entity besides the U.S. Treasury would provide that funding. Without the Treasury, "Let Detroit Go Bankrupt" would have turned into "Force Detroit to Liquidate," with all the economic calamity that would have followed.

U.S. Judge Arthur Gonzales found exactly that in the order authorizing the sale of Chrysler's assets to the new Chrysler: "The sale transaction is the only alternative to liquidation available to the debtors."
Another oft-repeated criticism is the claim that bankrupt Chrysler's secured creditors got less than they were entitled to under the bankruptcy code. In fact, the secured creditors received the highest possible amount available to them.

Judge Gonzales affirmed this pointPAGE 29 in the sale order: "The sale transaction will provide a greater recovery for the debtors' creditors than would be provided by any other practical available alternative, including, without limitation, liquidation whether under chapter 11 or chapter 7 of the Bankruptcy Code.